

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

| | | |
|--------------------------|---|----------------------|
| ROBERT T. BROCKMAN, |) | |
| Plaintiff, |) | |
| |) | Case No. 22-cv-00202 |
| v. |) | |
| |) | |
| UNITED STATES OF AMERICA |) | |
| Defendant. |) | |

**FOURTH DECLARATION OF REVENUE AGENT
DAMON PAXTON UNDER 28 U.S.C. §1746**

I, Damon Paxton declare:

1. My name is Damon Paxton. I am over 21 years of age, of sound mind, capable and competent of making this declaration, and have personal knowledge of the facts herein stated, based upon my review of the official records of the Internal Revenue Service.

2. I am currently employed as a duly commissioned Revenue Agent in the Large Business & International ("LB&I") operating division of the IRS and assigned to an International Individual Compliance ("IIC") field examination team with a post of duty in San Francisco, California. I previously worked as a Revenue Agent in the Small Business/Self-Employed ("SBSE") operating division of the IRS from September 2010 before transferring to the LB&I division in July 2019, where I have remained since.

3. I was the Revenue Agent assigned to the examination of Robert T. Brockman's ("Brockman") 2004 through 2018 tax years regarding his income tax liabilities and the IRS's jeopardy assessment against him for the 2004-2018 years.

**GOVERNMENT
EXHIBIT**

22-cv-00202

No. 50

4. This affidavit is submitted in support in the case of *Robert T. Brockman v. United States*, Case No. 22-cv-0202. This affidavit/declaration does not include every fact or matter observed by me, the IRS, or known by the IRS and the United States that support a jeopardy determination. The information contained herein is based upon my review of the documents contained in the IRS administrative files and information obtained during the examination process.

5. The U.S. tax laws require that third party payers, such as banks and other financial institutions file information returns to report to the IRS income earned or certain transactions by a taxpayer. For example, the financial institution must report interest, dividends, distributions, and sales of securities on certain forms such as a Form 1099. That form is filed with the IRS and a copy is provided to the taxpayer/recipient. The IRS can use the form to match the income reported on an individual's federal tax return.

6. The Brockmans had net wage earnings, stock sales, distributions, state tax refunds, interest income, and distributions from what appears to be savings bonds that were available to be deposited into accounts during 2020 and 2021. Third party payor information is maintained by IRS, and referred to as IRPTR data/transcript.

7. Based upon data reported by third parties to the IRS in 2020 and 2021 (IRPTR data/transcripts), the Brockmans had in excess of \$62 million available to be deposited into their accounts as follows:

| | Type | Amount | Source |
|-----------|----------------------------|-----------------|---|
| RTB- 2020 | ORDINARY DIVIDENDS | \$5,064.00 | FORM 1099-DIV |
| | INTEREST INCOME | \$15,068.00 | FORM 1099-INT |
| | WAGES (NET OF W/H) | \$12,866,218.00 | FORM W-2 |
| | SOCIAL SECURITY | \$28,203.00 | FORM SSA-1099 |
| | GROSS DISTRIBUTION | \$1,301,315.00 | FORM 1099-R National Financial Services |
| | NET DISTRIBUTION | \$1,217,056.00 | FORM 1099-R Great West Trust |
| | STOCK SALE PROCEEDS | \$1,115,942.00 | FORM 1099-B |
| | PROCEEDS- SALE OF PROPERTY | \$3,798,007.00 | PROPERTY: 333 WEST FRIAR TUCK |
| | PROCEEDS- SALE OF PROPERTY | \$1,202,599.00 | PROPERTY: 1731 SUNSET BLVD |
| RTB- 2021 | ORDINARY DIVIDENDS | \$1,019.00 | FORM 1099-DIV |
| | INTEREST INCOME | \$30,212.00 | FORM 1099-INT (WALLIS BANK; ZIONS BANK) |
| | WAGES (NET OF W/H) | \$11,011,484.00 | FORM W-2 |
| | SOCIAL SECURITY | \$53,545.00 | FORM SSA-1099 |
| | STATE REFUND OHIO | \$42,166.00 | FORM 1099-G REFUND |
| | MSA GROSS DISTRIBUTION | \$45,981.00 | FORM 1099-MSA HSA |
| | QTIP DISTRIBUTION | \$16,579.00 | FORM 1099-Q |
| | STOCK SALE PROCEEDS | \$67,962.00 | FORM 1099-B |
| | PROCEEDS- 1% HARDWICK | \$288,858.00 | 1% HARDWICKE |
| | SALE OF ELK CREEK LOT 16 | \$1,450,000.00 | PROPERTY: ELK CREEK LOT 16 LLC |
| DB- 2020 | INTEREST/DIVIDENDS | \$385,723.00 | FORM 1099-INT |
| | SAVINGS BOND INTEREST | \$512,597.00 | FORM 1099-INT |
| | STOCK SALE PROCEEDS | \$8,589,225.00 | *FORM 1099-B |
| | SAVINGS BOND PROCEEDS | \$10,000,000.00 | FORM 1099-B (LONG) BUREAU OF THE FISCAL SERVICE |
| DB- 2021 | INTEREST/DIVIDENDS | \$19,668.00 | FORM 1099-INT/DIV |
| | GROSS DISTRIBUTION | \$2,508.00 | FORM 1099-R Zions Bank |
| | STATE REFUND OHIO | \$26,029.00 | FORM 1099-G REFUND |
| | STOCK SALE PROCEEDS | \$512,267.00 | FORM 1099-B (LONG) |
| | SAVINGS BOND INTEREST | \$186,305.00 | FORM 1099-INT |
| | SAVINGS BOND PROCEEDS | \$7,000,000.00 | FORM 1099-B (LONG) BUREAU OF THE FISCAL SERVICE |
| | TREAS. REFUND | \$313,213.00 | IRS RECORDS |
| | TOTAL | \$62,104,813.00 | |

I declare under penalty of perjury that the foregoing is true and correct.

Executed this 17th day of August 2022.



Damon Paxton
Revenue Agent
Internal Revenue Service